

Adopted	Rejected
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COMMITTEE REPORT

YES:	15
NO:	5

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1220, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, line 4, after "14." insert "**Northwest Indiana**".
- 2 Page 3, between lines 31 and 32, begin a new paragraph and insert:
- 3 "SECTION 2. IC 6-2.5-15 IS ADDED TO THE INDIANA CODE
- 4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2008]:
- 6 **Chapter 15. North Central Indiana Transportation Tax Area**
- 7 **Sec. 1. As used in this chapter, "board" refers to the board of**
- 8 **trustees of the commuter transportation district.**
- 9 **Sec. 2. As used in this chapter, "bonds" means bonds, notes, or**
- 10 **other evidences of indebtedness issued by the development**
- 11 **authority for the development of a north central Indiana rail**
- 12 **improvement project.**
- 13 **Sec. 3. As used in this chapter, "commuter transportation**

1 **district" refers to a commuter transportation district that:**

- 2 **(1) is established under IC 8-5-15; and**
 3 **(2) has among its purposes the maintenance, operation, and**
 4 **improvement of passenger service over the Chicago, South**
 5 **Shore, and South Bend Railroad and any extension of that**
 6 **railroad.**

7 **Sec. 4. As used in this chapter, "covered taxes" means the state**
 8 **gross retail and use taxes imposed under this article.**

9 **Sec. 5. As used in this chapter, "eligible county" refers to the**
 10 **following:**

- 11 **(1) A county having a population of more than two hundred**
 12 **thousand (200,000) but less than three hundred thousand**
 13 **(300,000).**
 14 **(2) A county having a population of more than one hundred**
 15 **ten thousand (110,000) but less than one hundred fifteen**
 16 **thousand (115,000).**

17 **Sec. 6. As used in this chapter, "north central Indiana rail**
 18 **improvement project" means a commuter transportation district**
 19 **project for any of the following purposes:**

- 20 **(1) Improving access to the South Bend airport.**
 21 **(2) Relocating tracks in Michigan City.**
 22 **(3) Signal and catenary projects contained within an eligible**
 23 **county.**

24 **Sec. 7. (a) The combined territory of the eligible counties is**
 25 **designated as a transportation tax area that is entitled to a monthly**
 26 **allocation of covered taxes in the manner and amount provided by**
 27 **this chapter.**

28 **(b) Before September 1, 2008, the board shall submit to the**
 29 **department by certified mail a complete list of the following:**

- 30 **(1) Employers in the transportation tax area.**
 31 **(2) Street names and the range of street numbers of each**
 32 **street in the transportation tax area.**

33 **The board shall update the list before July 1 of each year that**
 34 **begins after December 31, 2008.**

35 **(c) The department may adopt rules under IC 4-22-2 and**
 36 **guidelines to govern the allocation of covered taxes to a**
 37 **transportation tax area.**

38 **Sec. 8. A transportation tax area designated under section 7 of**

1 **this chapter expires when the bonds, together with the interest on**
2 **the bonds, and interest on unpaid installments of interest, and all**
3 **costs and expenses in connection with an action or a proceeding by**
4 **or on behalf of the holders, are fully met, paid, and discharged.**

5 **Sec. 9. The department shall before the tenth day of each month**
6 **determine the total amount of covered taxes deposited in the state**
7 **general fund under IC 6-2.5-10-1(b)(2) in the previous month that**
8 **were:**

9 **(1) remitted, in the case of the state gross retail tax deposits,**
10 **by a retail merchant for retail transactions occurring in an**
11 **eligible county; or**

12 **(2) paid, in the case of the use tax deposits, by a person who**
13 **resides or is domiciled in an eligible county.**

14 **Sec. 10. The amount of the monthly allocation of covered taxes**
15 **that a transportation tax area is entitled to receive is equal to:**

16 **(1) the amount determined under section 9 of this chapter;**
17 **multiplied by**

18 **(2) four and four-tenths percent (4.4%).**

19 **Sec. 11. (a) All allocations of covered taxes under this chapter**
20 **for a transportation tax area shall be made by warrants issued by**
21 **the auditor of state to the treasurer of state ordering those**
22 **payments to the board on or before the twentieth day of each**
23 **month.**

24 **(b) There is annually appropriated from the state general fund**
25 **an amount sufficient to make the allocations required by this**
26 **chapter.**

27 **Sec. 12. The board shall deposit all allocations received under**
28 **this chapter in a segregated capital improvement fund that may be**
29 **used only for a north central Indiana rail improvement project.**

30 **Sec. 13. (a) The board shall repay to the state general fund any**
31 **amount that is paid to the board under section 11 of this chapter**
32 **and used for a purpose other than a north central Indiana rail**
33 **improvement project.**

34 **(b) Any state gross retail and use taxes deposited into the fund**
35 **under section 12 of this chapter that remain in the fund when the**
36 **transportation tax area expires must be transferred to the**
37 **treasurer of state for deposit in the state general fund.**

38 **Sec. 14. This chapter expires on the earlier of:**

1 **(1) December 31 of the calendar year in which the**
2 **transportation tax area expires under section 8 of this**
3 **chapter; or**

4 **(2) December 31, 2043."**

5 Page 6, after line 4, begin a new paragraph and insert:

6 **"SECTION 6. [EFFECTIVE JULY 1, 2008] IC 6-2.5-15, as added**
7 **by this act, applies to retail transactions occurring after June 30,**
8 **2008."**

9 Renumber all SECTIONS consecutively.

(Reference is to HB 1220 as introduced.)

and when so amended that said bill do pass.

Representative Crawford